



# Committee On Finance

Max Baucus, Ranking Member

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## **Baucus Hails Passage of Energy Bill** *Legislation Heads To President For Signature*

(WASHINGTON, D.C.) U.S. Senator Max Baucus hailed the passage of the comprehensive energy bill that passed the Senate by a 74 to 26 vote. The House passed the bill yesterday and now the bill will head to the president's desk for signature. The package will lessen America's reliance on foreign sources of energy, boost renewable resources, and provide reliable energy for the nation.

As ranking member of the Senate Finance Committee, Baucus worked with Chairman Grassley to write the tax provisions in the legislation. Tax incentives in the bill will accelerate domestic energy production, increase conservation efforts, and develop alternative sources of energy such as wind, solar, bio-mass, ethanol, and clean-coal technology. Senator Baucus' floor statement on the energy bill follows:

### **Floor Statement of U.S. Senator Max Baucus on the Energy Policy Act**

Mr. President, for four years, Congress has failed to enact a comprehensive energy bill. Today, however, I am confident that we can change that record.

The conference committee has assembled a well-balanced package. It is right for America. We should send it to the President's desk.

The House and the Senate gave the conferees a difficult task. The House and Senate energy bills took two very different approaches to tax policy. The two bills had very little in common. Thus we could not include everything in both bills without busting our budget.

Most of the provisions in the House bill promoted investment in traditional energy infrastructure. It favored pipelines, electricity lines, and oil and gas production.

In contrast, the Senate bill — which I helped develop with my good friend Senator Grassley — advanced new technologies. It encouraged conservation efforts, improved energy efficiency, and expanded use of alternative fuels.

Conference negotiations were hard fought. We made some tough decisions. But overall, the process was very positive. We kept within our budget. And we worked with a spirit of compromise and cooperation.

The energy tax incentives that the conference has recommended take an evenhanded approach to an array of promising technologies.

For example, the bill provides a uniform period for claiming production tax credits under section 45 of the tax code. This encourages production of electricity from all sources of renewable energy.

The bill recognizes the value of coal and other traditional energy sources to our economy. It provides investment tax credits for clean-burning coal facilities and projects. It provides substantial tax incentives to facilitate much-needed expansion of refinery capacity. And it promotes expansion of American energy delivery systems.

The bill recognizes the need for a diverse energy portfolio. It fosters energy production from wind or coal in Montana to geothermal sources in California. And it will help create jobs by promoting domestic energy production.

The bill also rewards energy conservation and efficiency. It includes incentives for energy-efficient homes, alternative fuel vehicles, and development of fuel cell technology. These incentives are environmentally responsible. They reduce pollution. And they help improve people's health.

These energy tax incentives are good for America. They will promote the delivery of reliable, affordable energy to consumers. They will help to create jobs through domestic energy production. And they make meaningful progress toward energy independence.

I am proud of the effort that produced the conference agreement. I encourage my Colleagues to support this important legislation.

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